

SS SCS SB 361, 103, 156 & 329, HCA 1, 2, 3, & 4 -- WASTE
MANAGEMENT

SPONSOR: Steelman (Townley)

COMMITTEE ACTION: Voted "do pass" by the Committee on
Conservation and Environment by a vote of 16 to 1.

This substitute makes numerous changes to the statutes on waste
management.

FEES

The waste tire fee will expire on January 1, 2004. The
substitute extends the fee to January 1, 2009. The hazardous
waste generator and category fees will expire on January 1, 2005.
The substitute also extends these fees to January 1, 2010.

SEWER DISTRICTS

The substitute establishes notice and procedural requirements for
the new formation of a reorganized common sewer district and the
conversion of a current sewer district into a reorganized common
sewer district. For new districts, incorporation must be
approved by two-thirds of the voters in the district unless the
petitioners seeking formation specify that the organization is
without the authority to issue general obligation bonds. In that
case, incorporation must only be approved by a simple majority of
voters in the district. Property owners with land contiguous or
reasonably close to a reorganized district may petition the board
to become part of the reorganized district. The board may
petition the circuit court for an amended decree of incorporation
to allow the district to engage in the construction, maintenance,
and operation of water supply and distribution facilities which
serve 10 or more separate properties in the district, if the
properties meet certain criteria.

To convert an existing common sewer district into a reorganized
common sewer district, a petition must be filed with the circuit
court after the governing body of the district has made a
determination that the reorganization is in the best interest of
the district. The bonded indebtedness and security interests of
creditors of any common sewer district which converts to a
reorganized common sewer district cannot be affected by the
conversion.

The board of any reorganized sewer district cannot levy taxes or
issue general obligation bonds unless authorized by voters. The
total amount of general obligation bonds cannot exceed 10% of the
assessed valuation of all taxable tangible property located in

the district. Districts may create sanitary sewer improvement areas and impose assessments and user fees on the property benefitted by the improvement project.

Anyone who knowingly makes false statements in any filing with a district or tampers with a monitoring device is subject to a fine of \$1,000 per violation per day for the first violation and \$3,000 per violation per day for the second violation. Third and subsequent violations are class D felonies.

DISCONNECTION OF WATER SERVICES

The substitute allows providers of sewer service to develop contracts with water service providers to disconnect water services to customers for nonpayment of a sewer bill. In the event the providers are unable to reach an agreement on the contract within four months, a petition may be filed with the circuit court asking for three commissioners to draft the agreement. No termination of water service may occur until 30 days after the customer has received written notice by certified mail. Water service providers are immune from civil liability or damages resulting from the disconnection. The substitute also requires written notice 15 days prior to any disconnection of residential water service. Reconnection fees can only include actual and necessary costs.

WATER PROJECTS

The substitute requires the Clean Water Commission to develop criteria for calculating per capita average costs for construction and operation of waste water and drinking water facilities serving different population size classes. The criteria will be based on projects completed during the last seven years and used to calculate compensation limits and bonuses for engineering design and construction firms.

AGRICULTURAL DISCHARGES

The substitute excludes agricultural storm water discharges, irrigation return flows, and non-point sources from regulation as water contamination sources. The substitute also alters the definition of "waters of the state" to exclude accidental or unintentional discharges into dry or non-flowing watercourses or lakes that are confined to the owner's property and cleaned up to the extent that any future flow of water off the property does not exceed water quality standards.

BONDS FOR WATER AND SEWER PROJECTS

In addition to amounts authorized prior to August 28, 2004, the

substitute authorizes the Board of Fund Commissioners to issue additional bonds for grants and loans pursuant to several sections in Article III of the Missouri Constitution. The authorizations are for:

(1) \$10 million of bonds for water pollution control, drinking water system improvements, and storm water control pursuant to Section 37(e);

(2) \$10 million of bonds for rural water and sewer projects pursuant to Section 37(g); and

(3) \$20 million in bonds for storm water control plans, studies, and projects in first classification counties and the City of St. Louis pursuant to Section 37(h).

OTHER PROVISIONS

The substitute also:

(1) Allows Johnson County, upon voter approval, to establish a landfill fee of up to \$1.50 per ton for economic development. Current law only allows third classification counties to establish these fees;

(2) Prohibits political subdivisions from offering waste collection services outside their boundaries;

(3) Transfers regulation of underground storage tanks from the Clean Water Commission to the Hazardous Waste Management Commission;

(4) Exempts property owners from civil liability for unpaid charges for sewer or combined water and sewer services furnished to occupants of the property;

(5) Exempts requests for modifications of water contaminant discharge operating permits from fees if the request is associated with a construction permit application;

(6) Repeals provisions that require class B air contaminant sources to have operating permits; and

(7) Requires the Department of Natural Resources to give preference to contract bids for waste clean up from vendors that are Missouri residents or employ Missouri workers. To be eligible, the bids must not exceed the lowest bid from other qualified vendors by more than 5%.

HCA 1 -- Deletes provisions requiring 15-day advanced written

notice for disconnection of water service.

HCA 2 -- Deletes provisions exempting property owners from liability for unpaid sewer and water charges by occupants.

HCA 3 -- Deletes provisions requiring the Clean Water Commission to develop criteria for calculating per capita average costs for waste water and drinking water projects.

HCA 4 -- Prohibits certain sewer districts in Butler County from forming a reorganized sewer district.

FISCAL NOTE: Estimated Net Cost to General Revenue Fund of \$0 in FY 2004, \$0 in FY 2005, and \$1,289,688 in FY 2006. Income to Solid Waste Management Fund of \$1,038,052 in FY 2004, \$2,076,104 in FY 2005, and \$2,076,104 in FY 2006. Total Loss to Other State Funds of \$76,000 in FY 2004, FY 2005, and FY 2006. Income to Hazardous Waste Remedial Fund of \$0 in FY 2004, \$1,350,000 in FY 2005, and \$2,700,000 in FY 2006.

PROPONENTS: Supporters say that the bill as it passed the Senate will encourage the formation of rural sewer districts. The bill will also allow clear agreements between service providers for the disconnection of water service for non-payment of sewer bills.

Testifying for the bill were Senator Steelman; Missouri Association of Sewer Districts; and Metropolitan St. Louis Sewer District.

OPPONENTS: Those who oppose the bill say it allows individuals to circumvent their county commissions. The requirement for a 15-day notice for disconnection of water service and exempting property owners from liability for unpaid bills of occupants will cause hardships for water districts and municipalities.

Testifying against the bill were Nike Thompson; Missouri Rural Water Association; Macon County Public Water Supply District No. 1; City of Lee's Summit; Missouri Municipal League; St. Louis County Municipal League; Missouri Association of Municipal Utilities; and City Utilities of Springfield.

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